

American River Basin: Downtown Combined Sewer Upsizing Project

Attachment 1: Authorization and Eligibility Requirements

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Authorizing Documentation

The City of Sacramento City Council will convene on April 12, 2011 to adopt a resolution authorizing the City Manager to prepare and submit this Proposition (Prop) 1E Grant Application and to subsequently execute an agreement with the State of California for an Integrated Regional Water Management Stormwater Flood Management Grant. A copy of the draft resolution is included as an appendix to this attachment.

Eligible Applicant Documentation

1. Is the applicant a local agency as defined in the Appendix B of the Guidelines? Please explain.

The City of Sacramento is considered to be a local agency as defined in Appendix B of the *Proposition 84 and 1E IRWM Guidelines*. The city was founded in 1849 and is the oldest incorporated city in California.

2. What is the statutory or other legal authority under which the applicant was formed and is authorized to operate?

The City of Sacramento is a charter city duly organized and validly existing pursuant to the laws of the State of California. California Constitution Article XI, Sections 3 and 5; Sacramento City Charter Section 10.

3. Does the applicant have legal authority to enter into a grant agreement with the State of California?

The City is authorized to enter into contracts under its charter city authority. Sacramento City Charter Section 20 vests all powers in the City Council unless otherwise provided in the Charter. Charter Section 61(h) authorizes the City Manager to execute any contract on behalf of the City when authorized to do so by ordinance or resolution of the City Council.

4. Describe any legal agreements among partner agencies and/or organizations that ensure performance of the Proposal and tracking of funds.

The City of Sacramento is solely responsible for the implementation of the project and is therefore solely responsible for the performance of the Proposal and tracking of funds.

GWMP Compliance

The Downtown Combined Sewer Upsizing Project does not have the potential to groundwater impact groundwater.

Compliance with CWC §83002.(b)(3)(B)

The City of Sacramento lies within the American River Basin (ARB) IRWM Region and is a member of the Regional Water Authority, the Regional Water Management Group for the ARB region. The ARB IRWM Region was accepted through the 2009 Regional Acceptance Process (RAP) as shown in Table 1 of the *Proposition 1E IRWM Grant Program – Proposal Solicitation Package for Stormwater Grants*. The ARB IRWM Plan was adopted in May 2006 (adopting resolutions are included in Attachment 2 of this Proposal). The Regional Water Authority, the regional agency authorized to develop and implement the ARB IRWM Plan, formally adopted the Plan on May 18, 2006. Because the Plan was adopted prior to September 30, 2008, it is not being submitted as part of Attachment 1.

Consistency with an Adopted IRWM Plan

The Downtown Combined Sewer Upsizing Project was not included in the adopted ARB IRWM Plan. Only a few stormwater projects were included in the 2006 IRWMP; this reflects that plans necessarily modify to respond to changing conditions, and that there has been new thinking in planning resulting from the IRWM effort (i.e., progress is continually being made in integrated planning). At the time of adoption, the ARB IRWM Plan was silent on the process for adding projects to the Plan because it was assumed that the IRWM should always be a living document. Since no process was identified, a description of how the current project was identified is included in the following section along with a description of how the project was vetted through a public process.

Process for Identifying the Projects in the Current Funding Application

On August 24, 2010, RWA released an open call for projects to a list of all known stakeholders at that time involved in the ARB IRWM Plan update. This list included 145 individuals representing more than 100 distinct local and state government agencies, non-governmental organizations, volunteer groups, and others. The e-mail and distribution list and a table showing those organizations that received this announcement are included with the supporting documentation in with this application (Att1_SWF_SAC_Eligible_2of3). This was followed by a public meeting on September 1, 2010 to explain how the planned update of the ARB IRWM Plan would continue while developing an implementation grant application and how to submit a project for the application. This meeting was attended by over 30 stakeholders. A list of attendees, the presentation, and the project input form are included in this application (Att1_SWF_SAC_Eligible_2of3).

In response to the August call for projects, RWA received 51 project descriptions. Staff developed a list of primary and other considerations based on criteria in the application to evaluate each of the projects. The list of considerations is included in this application (Att1_SWF_SAC_Eligible_2of3). Staff met with the ARB IRWM Advisory Committee to review project submittals on October 20th. Eight projects were pulled from consideration at the request of the project proponents prior to the meeting, so a total of 43 projects were considered. The Advisory Committee suggested that we divide the projects into tiers from 1 (those most highly recommended) to 4 (those not recommended to proceed with the current application). The Advisory

Committee concurred on the Tier 1 projects. The committee recognized the merit of Tier 2 projects and advised staff to work with project proponents to determine which of these should move forward with the current effort. Tier 3 projects were seen as very unlikely to be included for this round of funding, but the committee advised staff to look at these projects again to determine if we were missing some potential benefit of the project. A listing of the projects and their initial tiers is included in this application (Att1_SWF_SAC_Eligible_2of3). Following the Advisory Committee meeting, staff worked with the projects in the highest tiers to identify a suite of projects to include in the implementation grant submittal. It is worth noting that two projects in Tier 1 withdrew during development of the application. On December 10th, the project proponent for a fish screen on Auburn Ravine at Pleasant Grove Canal requested to withdraw its project. That project is pursuing a different source of funding. On December 15th, the project proponent for a recycled water project in the Sunset Industrial area of Placer County requested to withdraw its project, citing policy issues that were unresolved.

In March of 2011, RWA staff again contacted regional stakeholders to identify potential projects for inclusion in a Proposition 1E IRWM Stormwater Flood Management Grant application. Projects identified were summarized and submitted to all known stakeholders in the IRWM process for consideration. The e-mail is included in this application (Att1_SWF_SAC_Eligible_2of3). Staff requested that any comments, concerns, or questions on the list of projects be submitted by Tuesday, April 12th. No comments on the projects were received, and the project was considered to be fully vetted and therefore considered consistent with the adopted IRWM Plan.

Authorizing Resolution



RESOLUTION NO. 2011-

Adopted by the Sacramento City Council

April 12, 2011

COST SHARE AGREEMENT WITH THE PLACER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT FOR PREPARATION OF A GRANT APPLICATION FOR THE INTEGRATED REGIONAL WATER MANAGEMENT GRANT PROGRAM AND AUTHORIZATION TO SUBMIT GRANT APPLICATION AND EXECUTE GRANT AGREEMENT

BACKGROUND

- A. In August 2010, the California Department of Water Resources (DWR), released the Integrated Regional Water Management (IRWM) Grant Program Proposal Solicitation Package for Stormwater Flood Management grants, funded by Proposition 1E.
- B. The City of Sacramento wishes to submit a grant application under the DWR Proposition 1E IRWM Stormwater Flood Management Grant Program.
- C. The City of Sacramento has identified the Combined System Improvement Program Project to be included in the grant application. The City could potentially receive \$7.5 million in grant funding for this project which will require up to \$7.5 million of local match. The local match requirement will be met by recently completed projects as well as projects that are under construction in the combined system.
- D. The Placer County Flood Control and Water Conservation District will serve in the lead agency role in preparation of the application package to receive Proposition 1E funds for local qualifying projects.
- E. The Placer County Flood Control and Water Conservation District has prepared a Cost Share Agreement among participating agencies, including the City, to fund the cost of preparing the grant application packages with each participant's estimated cost share amount.
- F. The City's Combined System Improvement Program Project (X14010000) will promote public health, improve source water quality and provide flood protection, and meets eligibility requirements for financial assistance from the IRWM Proposition 1E Grants.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or the City Manager's designee is authorized to execute a Cost Share Agreement with the Placer County Flood Control and Water Conservation District for the purpose of preparing a grant application for the State of California Department of Water Resources' Integrated Regional Water Management Grant Program funded by Proposition 1E grant funds.
- Section 2. The City Council hereby resolves that such application be made to the California Department of Water Resources to obtain Stormwater Flood Management grant funding pursuant to the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Public Resource Code Section 5096.800 *et seq.*), and to enter into an agreement to receive such grant for the City's Combined System Improvement Program Project.
- Section 3. The City Manager or the City Manager's designee is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute the grant agreement with the California Department of Water Resources, up to a maximum grant amount of \$7.5 million.
- Section 4. Exhibit A is part of this Resolution.

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- Exhibit A Cost Share Agreement